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SUBJECT: AQUACULTURE EXPERTS STATE NIGERIAN FISHING
INDUSTRY IN THE DOLDRUMS

Summary

11. (U) Aquaculture experts report Nigeria has consistently underperformed in meeting targeted fish production quotas. They blame the low productivity on lack of available commercial vessels and able seafarers, environmental pollution, poor enforcement of fishing regulations, lack of defined water rights and poor infrastructure. The one success story experts point to is in the area of fish farming in Lagos.

Huge Gap in Fish Demand and Supply

12. (U) Nigerian Institute of Oceanography Aquaculture Professor O.A. Ayinla said the fishing industry has taken an undeserved vacation for the last ten years. The GON has consistently underperformed its target for yearly fish production by one million metric tons the past five years, he said. The Ministry of Fisheries, Agriculture, and Natural Resources put domestic demand for fish at approximately 1.5 million metric tons for 2005. The total amount of local fish production including industrial, artisanal, and fish farming totaled approximately 500,000 metric tons, one million metric tons short of GON targets, Ayinla said. The huge gap between supply and demand forced Nigeria to import fish, making Nigeria one of the largest importers of frozen fish in W. Africa. Nevertheless, the amount imported -- 300,000 metric tons in 2004 -- is not enough to completely satisfy demand. The result is scarcity, higher prices, and an increase in food insecurity.

Challenges Are Many

13. (U) Lack of large-scale industrial fishing vessels, increasing costs for purchasing and maintaining fish vessels, and low seafarer salaries hinder Nigeria's ability to meet national fish demand, Ayinla said. He said Nigeria does not have the fishing vessels or technology needed to fish 100 feet below sea-level, the depth where the most plentiful stocks are found. Insufficient fishing infrastructure prevents Nigeria from fully exploiting marine resources in the Atlantic Ocean, especially yellow-fin tuna, Ayinla said.

14. (U) Poor fishing infrastructure for large-scale industrial fishing required Nigeria to shift focus from blue water fishing to inland sources, experts said. The 2004 Nigerian Special Program for Food Security (NSPFS) has focused on creating more fish farms to meet demand, particularly in increasing catfish and codfish output, the two most commonly consumed fish among Nigerians. University of Ibadan Professor and Aquaculture Consultant Eyiunmi Falaye remarked, however, pollution and environmental degradation in lakes, reservoirs, and rivers, have undermined these efforts. In addition, lack of defined water rights and enforcement of fishing regulations has meant Nigeria has no "clear-cut" fishing policy, he said. Lack of available funding to enhance fishing capacity was cited as another major obstacle to increasing inland production.

Chinese Involvement

15. (U) Professor Falaye said the GON is targeting fish production at 2 million metric tons for 2007. He believes those targets are overly ambitious given the current straits facing the industry. Although Nigeria launched its 2003 Aquaculture and Inland Fisheries Project (AIFP) to increase inland fishing, the project has not significantly increased output as hoped, Dr. Falaye said. Nevertheless, he credited the involvement of Chinese aquaculture technicians in helping to strengthen domestic fish production in less-capital intense rural areas. (Note: Under the Nigerian Special Program for Food Security (NSPFS), 70 Chinese aquaculture technicians came for six weeks in 2004 to the University of Agriculture Makurdi in Benue State to strengthen fish production capacity in Nigeria. End Note.)

Success Story--Fish Farming

16. (U) Although production has not climbed as much as the GON would like, Dr. Ayinla and Dr. Falaye noted that fish farming has advanced under NSPFS. They said the average cost of building a facility capable of producing 20 metric tons of fish annually (roughly 250,000 kg of fish per year) is roughly naira 4 million (USD 30,769), more than enough to cover operation and building costs. The average cost for one kilogram of fish is around naira 240 (USD 1.85). One fish farm has the potential to bring in between naira 40 to 60 million (USD 307,692 to 461,538) per year, experts said. They credit the increase in the number of fish farms in Lagos from 150 in July 2004 to over 240 in August 2005 to the GON's program and UN Food and Agriculture Organization's four-year USD 6.9 million Aquaculture and Inland Fisheries Project (AIFP) (Note: GON reported total number of fish farms in Nigeria exceeds 2,650).

Comment

17. (SBU) The Federal Minister of State for Agriculture and Rural Development, Bamidele Dada, has extensive experience in the fisheries industry. He formerly served as UN Assistant Director-General of the Food and Agricultural Organization, and is respected in the aquaculture community. Because Minister of Agriculture and Rural Development, Adamu Bello, lacks Dada's extensive experience in fisheries, that sector has been assigned to Dada, industry experts said. Despite Dada's credentials, however, aquaculture does not seem to have become a compelling Ministry priority, and no clear-cut policy has been established since Dada became Minister of State. To be fair, the Ministry is beleaguered by hundreds of priorities and a low resource base. With its modest assets, the Ministry cannot do much and many of the problems with fish production, such as the micro-economics of blue water commercial fishing and shipbuilding, are beyond the Ministry's ambit.

18. (SBU) Comment continued: For now, Chinese involvement in fish farming appears to be minimal. When Chinese technicians visited Nigeria, they focused on fish production in less-intensive rural areas, and the impact of their training, albeit positive, is probably also marginal. Nevertheless, their involvement is another indication of a broader Chinese presence in Nigeria. End Comment.

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